



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
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ATLANTA, GEORGIA 30303-8960

June 19, 2000

Howard L. Rhodes, Director
Air Resources Management Division
Florida Department of Environmental Management
Mail Station 5500
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

SUBJ: EPA's Review of Proposed Title V Permit No. 0530010-002-AV
Southdown, Inc. - Brooksville Plant, Hernando County, Florida

Dear Mr. Rhodes:

The purpose of this letter is to notify the Florida Department of Environmental Protection (FDEP) that the U.S. Environmental Protection Agency (EPA) formally objects to the issuance of the above referenced proposed title V operating permit for the Southdown, Inc. - Brooksville Plant facility in Hernando County, Florida, which was received by EPA, via e-mail notification and FDEP's web site, on May 2, 2000. This letter also provides our general comments on the proposed permit.

Based on EPA's review of the proposed permit and the supporting information received for this facility, EPA objects, under the authority of Section 505(b) of the Clean Air Act ("the Act") and 40 C.F.R. § 70.8(c) (see also Florida Regulation 62-213.450), to the issuance of the proposed title V permit for this facility. The basis for EPA's objection is that the permit does not fully meet the periodic monitoring requirements of 40 C.F.R. § 70.6(a)(3)(i), does not contain conditions that assure compliance with all applicable requirements, as required by 40 C.F.R. § 70.6(a), and does not contain the averaging time associated with several of the emission standards, rendering them not enforceable as a practical matter. Pursuant to 40 C.F.R. § 70.8(c), this letter and its enclosure contain a detailed explanation of the objection issues and the changes necessary to make the permit consistent with the requirements of 40 C.F.R. part 70 and assure compliance with applicable requirements of the Clean Air Act. The enclosure also contains general comments applicable to the permit.

Section 70.8(c) requires EPA to object to the issuance of a proposed permit in writing within 45 days of receipt of the proposed permit (and all necessary supporting information) if EPA determines that the permit is not in compliance with the applicable requirements under the Act or the requirements of 40 C.F.R. Part 70. Section 70.8(c)(4) of the title V regulations and Section 505(c) of the Act further provide that if the State fails to revise and resubmit a proposed

permit within 90 days to satisfy the objection, the authority to issue or deny the permit passes to EPA, and EPA will act accordingly. Because the objection issues must be fully addressed within the 90 days, we suggest that the revised permit be submitted in advance in order that any outstanding issues may be resolved prior to the expiration of the 90-day period.

If you have any questions or wish to discuss this further, please contact Mr. Gregg Worley, Chief of the Operating Source Section, at (404) 562-9141. Should your staff need additional information, they may contact Ms. Elizabeth Bartlett, Florida Title V Contact, at (404) 562-9122 or Ms. Lynda Crum, Associate Regional Counsel, at (404) 562-9524.

Sincerely,

/s/ Winston A. Smith

Winston A. Smith
Director
Air, Pesticides & Toxics
Management Division

Enclosures

cc: Don Kelly, Southdown, Inc.
Clair Fancy, P.E., FDEP
W.C.Thomas, P.E., FDEP - Southwest District

Enclosure 1

U.S. EPA Region 4 Objection Proposed Part 70 Operating Permit Southdown, Inc. Permit no. 0530010-002-AV

I. EPA Objection Issues

1. Applicable Requirements - PSD: Review and comparison of PSD-FL-233, dated June 27, 1997, to the proposed title V permit resulted in the following omissions and/or inconsistencies. To resolve this issue, either the title V permit must be revised to include requested information, or an explanation must be provided about why revisions are not necessary.
 - a. While the text of most PSD conditions were properly included in the title V permit, many of these conditions did not cite the PSD permit as the regulatory authority. Please ensure that all permit conditions taken from PSD-FL-233 cite this permit with the other regulatory authority citations.
 - b. The general visible emission standard listed was in condition II.3. as 20 percent opacity, based on the most current version of 62-296.320(4)(b)1., while condition 2.1 requires that “visible emissions from PM fugitive sources shall not exceed 10% opacity.” Please revise condition II.3. to be consistent with more stringent PSD limit.
 - c. The general requirements of PSD permit condition 2.2(a), regarding general emissions of unconfined particulate matter must be added to the title V permit.
 - d. Tables 1-1 and 2-1 from the PSD permit indicate that allowable emissions of beryllium, lead and mercury were “to be determined” during the initial compliance test to confirm that emissions were under PSD threshold levels. Since these metals were omitted from the title V permit, please provide documentation to verify that emissions were below applicable levels.
 - e. PSD conditions B6 and C6 state that “Any other operating parameters (including control equipment operating parameters) established during compliance testing and/or inspection that will confirm the proper operation of each emission unit shall be included in the operating permit.” No operating parameters were identified in the title V operating permit.

- f. VE compliance test duration in title V conditions B8 and C8 were changed from 180 to 60 min for Kiln Nos. 1 and 2, respectively, and from 180 to 30 min for Clinker Cooler Nos.1 and 2, respectively. Changes to 62-297 were cited as justification.
 - g. The regulatory citation under title V condition B.10 contains a type-o and should be corrected to cite 40 C.F.R. 60.64(b)(3).
 - h. Please explain why title V condition B.11 does not include the minimum test duration as required under it's companion PSD condition B.13.
2. Applicable Requirements - SIP: Condition C.4. establishes a 5 percent opacity limit in lieu of annual particulate stack testing for finish mills 1 and 2 (EU 005) "pursuant to the authority granted under Rule 62-297.620(4), F.A.C." However, this rule states that particulate matter testing may only be waived "in the case of an emissions unit which has the potential to emit less than 100 tons per year of particulate matter..." According to Condition C.2, the finish mills are allowed to emit up to 157.7 tons per year. Because this unit is allowed to emit more than 100 tons of particulate matter per year, the permit must require annual particulate matter stack testing for this unit. Region 4 feels that the existing daily Method 22 readings should be retained for this unit to satisfy periodic monitoring requirements and future requirements under 40 C.F.R. 63 Subpart LLL.
 3. Appropriate Averaging Times: The emission limits in conditions A.2, A.3, B.1.b. through d, B.7, B.20, C.1, C.2, C.3, C.4, D.1, D.2, D.3, D.4, E.1, E.3, E.4, E.5, F.1, F.2, F.3, F.4, G.1, G.2, G.3, G.4, H.1, H.3, H.4, H.5, I.3, I.4, I.5, J.1.b, J.7, K.3, K.4, K.5, L.1, L.3, L.4, L.5, M.1, M.3, M.4, M.5, N.1, N.2, N.3, N.4, O.1, O.2, O.3, O.4, P1, P.3., P.4, Q.1, Q.3, Q.4, and Q.5 do not contain averaging times. Because the stringency of emission limits is a function of both magnitude and averaging time, appropriate averaging times must be added to the permit in order for the limits to be practicably enforceable. An approach that may be used to address this deficiency is to include a general condition in the permit stating that the averaging times for all specified emission standards are tied to or based on the run time of the test method(s) used for determining compliance.
 4. Periodic Monitoring - Kiln Nos. 1 & 2 VOC: The permit does not appear to contain periodic monitoring for VOC emissions from Kiln Nos. 1 or 2. Section III, Conditions B.8 and J.8, footnote [4] refers to Table 2-2 footnote [2] of the PSD permit, regarding compliance with the VOC emission limits from conditions B.7 and J.7, respectively. However, the title V permit does not contain any detailed explanation linking CO/O₂ monitoring to VOC, for the purposes of compliance. To resolve this concern, the permit must require the source to conduct routine VOC monitoring, or a technical demonstration, such as

comparison of historical emission data to emission limits, must be included in the statement of basis explaining why the State has chosen to allow CO monitoring as a surrogate for VOC. A discussion of how carbon monoxide monitoring indicates good combustion, which affects VOC emissions, could be provided along with historical data to support the current monitoring strategy.

5. Periodic Monitoring - Kiln No. 1 Temperature: Section III, Conditions B.17 prohibits the firing of waste tire derived fuel in Kiln No.1 unless the kiln has reached an operating temperature of at least 1,400 degrees F for one hour. While this condition requires that temperature be measured at the kiln exit, the monitoring frequency is not specified. Please specify a monitoring frequency sufficient to ensure that the periodic monitoring requirements of 40 C.F.R. 70.6(a)(3) and 62-213.440(1)(b), F.A.C. are adequately addressed. Associated record keeping should also be required by the permit to verify compliance with this requirement.

6. Practical Enforceability - Moisture Content - Section II, Condition 6 addresses the prevention of emissions of unconfined particulate matter based, in part, on numerical moisture contents for dry material and coal. Because these numerical values are viewed as specific permit limits, the permit must address how the moisture content of these materials will be monitored or maintained above specified moisture levels to ensure compliance with this condition. In the response to comments, FDEP referenced the requirements of PSD-FL-233 condition 2.2(b) as the reason for not removing the limits from this condition as requested by the applicant. To make this condition enforceable as a practical matter, moisture content monitoring and/or record keeping must be added to the permit.

7. Practical Enforceability - EU 027 Baghouse: Section III, condition Q.11.and Q.13 require parametric monitoring of the pressure drop across the baghouse to assist in assuring compliance with the particulate matter emission limit for Cement Bagging Line No. 2 (EU 027). However, it was noted during review of the response to comments for this permit that the facility requested that baghouse pressure drop monitoring be replaced with routine Method 22 monitoring for other similar units at the facility. In order for these conditions to be enforceable as a practical matter, they must either be revised to require Method 22 monitoring, or a pressure drop range must be established and a correlation developed between the control equipment parameter(s) to be monitored and particulate emission levels. If baghouse monitoring is retained, the source must provide an adequate demonstration (historical data, performance test, etc.) to support the approach used. The range, or the procedure used to establish the parametric ranges that are representative of proper operation of the control equipment, and the frequency for re-evaluating the range must be specified in the permit.

II General Comments

1. Please note that our opportunity for review and comment on this permit does not prevent EPA from taking enforcement action for issues that have not been raised in these comments. After final issuance, this permit shall be reopened if EPA or the permitting authority determines that it must be revised or revoked to assure compliance with applicable requirements.
2. Statement of Basis - The statement of basis for this permit was fairly brief. In order to facilitate a greater understanding of the permit and the reasoning behind some of the permit limits, the statement of basis should be revised. A summary of each kiln/clinker cooler system should be provided which includes a brief description and history of the unit, including fuels, construction date, emissions limits, and associated monitoring. A similar discussion should be provided for the other kiln feed and product handling systems as a group. The transition from NSPS to MACT requirements should also be addressed, including a discussion of the need for and timing of permit modifications to incorporate additional requirements mandated under the MACT requirements. The statement of basis should address such questions to ensure that both the applicant and the public understand what is required and expected.
3. Comparison of changes made in the permit to changes documented in the public comment portion of the proposed permit determination resulted in the following inconsistency:

The change outlined under II.B. of the response to comment document regarding additional documents on file with the permitting authority were not incorporated into the proposed permit downloaded by EPA.
4. Section II - Insignificant units must be incorporated into to the permit by reference using a permit condition similar to Condition II.5. for unregulated units.
5. Section II, Condition 4 - This condition addresses the requirements of CAA Section 112(r). Please review this condition to ensure that it is consistent with the model language developed by Wendy Alexander of the Tallahassee office and presented at the September 1999 FDEP Annual Air Meeting.
6. Section III.R. - This section of the permit establishes that the facility shall comply with the requirements of Part 63, Subpart LLL. Condition R.1 should be reworded to more specifically require compliance with “40 C.F.R. 63 Subpart LLL and the requirements of Subpart A as outlined in Subpart LLL, Table 1.”

In addition, the State should try to incorporate as many applicable standards and monitoring, reporting and record keeping requirements from Subpart LLL as possible into the initial title V permit. For example, the requirements for dioxin/furan emissions from the cement kilns and associated control requirements from 40 C.F.R. § 63.1344 can be included in the permit, as well as any other requirements for which a compliance option has already been decided upon by the facility, even if the requirements have not yet become effective. If specific parameters are issued with the initial title V permit, only a minor modification will be required if the parameters need to be changed. In contrast, if the source decides to incorporate detailed MACT requirements at a later date, those changes will require a significant permit modification.

Furthermore, the statement of basis should contain a description of the compliance option being considered by the facility, the compliance status of the facility at the time of permit issuance, and the expected date for compliance to be achieved. A note could be added to this information to clarify that the information given is non-binding and that the source may change the schedule in accordance with the regulations.

7. Periodic Monitoring: As you are aware, on April 14, 2000, the U.S. Court of Appeals for the D.C. Circuit issued an opinion addressing industry's challenge to the validity of portions of EPA's periodic monitoring guidance. See, *Appalachian Power Co. V. EPA*, No. 98-1512 (D.C. Cir., April 14, 2000). The Court found that "State permitting authorities may not, on the basis of EPA's guidance or 40 C.F.R. 70.6(a)(3)(i)(B), require in permits that the regulated source conduct more frequent monitoring of its emission than that provided in the applicable State or federal standard, unless that standard requires no periodic testing, specifies no frequency, or requires only a one-time test." While the permit contains testing from "time to time," as discussed in the court opinion, EPA does not consider these conditions sufficient to ensure compliance. In light of the court case, EPA is withholding formal objection on the following item:

Section III, conditions A.1, B.1, C.1, I.1, and J.1, contain maximum hourly and 30-day rolling average feed/loading/transfer rate limits. However, the daily record keeping required under conditions A.12., B.18, C.10, I.12, J.18, does not appear to be sufficient to document compliance with the maximum hourly limit. Please revise the record keeping frequency or the averaging time of the limits to ensure that the monitoring frequency is consistent with the feed/loading/transfer rate limits.